

Vietnam Veterans Bonus Bill
Senate File 578
(Successor to SF 453)

Last Action:

Senate Floor

April 16, 2007

Executive Summary Only

An Act creating a Vietnam Conflict veterans bonus for a certain period of active duty military service, making an appropriation, and providing a tax exemption and a penalty.

Fiscal Services Division
Legislative Services Agency

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

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**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 578
VIETNAM VETERANS BONUS BILL**

**VIETNAM VETERANS BONUS FUND
APPROPRIATION**

- Creates a Vietnam Veterans Bonus Fund.
- Appropriates \$500,000 from the Veterans Trust Fund for FY 2008 for the Vietnam Veterans Bonus Fund and permits the carryforward of remaining funds into FY 2009.
- Requires the Commission of Veteran Affairs and the Department of Veteran Affairs to administer the Bonus Program.

ELIGIBILITY FOR \$500 BONUS

- Eligibility for the Vietnam Veterans Bonus of up to \$500 per veteran includes:
 - Served on active duty in the Vietnam service area for at least 120 days between July 1, 1973, and May 31, 1975.
 - Maintained Iowa residency for six months prior to active duty.
 - Did not receive a similar bonus from another State.

ELIGIBILITY FOR \$300 BONUS

- Eligibility for the Vietnam Veterans Bonus of up to \$300 per veteran includes:
 - Served on active duty for at least 120 days between July 1, 1973, and May 31, 1975, but not in the Vietnam service area.
 - Maintained Iowa residency for six months prior to active duty.
 - Did not receive a similar bonus from another State.

SURVIVOR ELIGIBILITY

- Permits one survivor of each eligible deceased veteran to be eligible for the \$300 or \$500 bonus.

TAX EXEMPTION

- Exempts the bonus payments from taxes.

**FALSE STATEMENT PENALTY
RETROACTIVE APPLICABILITY**

- Provides a penalty of a serious misdemeanor for a false application
- The Vietnam Conflict veterans bonus tax exemption is applied retroactively to January 1, 2007, and applicable for tax years beginning on and after that date.

FISCAL IMPACT

- The fiscal impact of the tax exemption is estimated to be less than \$20,000.

Health and Human Services

Other Fund

	Actual FY 2006 <u>(1)</u>	Estimated FY 2007 <u>(2)</u>	Senate Action FY 2008 <u>(3)</u>	Senate Action vs. Est 2007 <u>(4)</u>	Page and Line # <u>(5)</u>
<u>Veterans Affairs, Department of</u>					
Veterans Affairs, Department of Vietnam Veteran Bonus Payments - VTF	\$ 0	\$ 0	\$ 500,000	\$ 500,000	PG 3 LN 26
Total Veterans Affairs, Department of	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	
Total Health and Human Services	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	